OFFICERIAL - THEOREMAN

January 20, 1959

Dear Prite:

Below is a round-up, as seen from here, of future developments in the Hast-Nest field which may be of interest to the Ambaseador, to you, and to Joe.

1) Four-Four Working Group: The chances now appear good that the Four-Four Working Group will meet in Washington. All except the British have agreed, and there is no known reason why they will object. The Working Group will probably convene some time in the earlier part of Pebruary, and the first order of business will be to draft a reply to the Soviet note on Germany. Plans are to get the reply out fairly quickly, certainly well before the April Meeting.

The Working Group will also, however, be undertaking a re-examination of our general policy on German unification and European security in preparation for whatever meeting is going to be held with the Soviets. The development of a substantive U.S. position on these matters is still in the very primitive stage indicated in Lane's letter to Joe of Jamuary 16; there are no really new ideas. Among the ideas being thrown into the hopper are: (1) opening discussions on a German peace treaty (without agreeing, of course, to the unacceptable provisions of the Soviet draft) in order to give the Soviets a chance to retreat from their extreme Berlin position by "talking to death" the German situation; (2) possible "piecemesl" implementation of a German peace treaty, with clauses in the cultural, economic, and information fields, which could be more easily agreed upon, being implemented as they are agreed; and (3) proposals for "partial confederation" in which West and East Germany might retain autonomy in their social and economic institutions, while there was a merger in the foreign affairs and defense fields. Neither these nor any other ideas are being really seriously considered at the present, howwer.

The Honorable Frederick E. Holting, Jr., Acting Chief of Mission, UMRO,

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- 2) Masting with the Soviete on Germany: The specifics of timing, agenda, and level of participation are undetermined at present, but it has now become pretty likely that a meeting of some sort with the Soviets will take place. The chances for a meeting are considerably better than were the chances for a Summit meeting a year ago. As pure guesses, I would say: (1) The timing will be in mid-spring; (2) the agenda is likely to be as open as possible; and (3) the level will probably be Foreign Ministers, perhaps with lower level preparation; it certainly will not be a Summit meeting. This conference is likely, of course, to have quite an impact on our activities, including the April Meeting.
- 3) <u>Muclear Test Suspension</u>: The disarrament link has now been severed, I hope without too much bloodshed. The British have been arguing that we should sever the disarrament link in order to focus entirely on the control issue. I have a feeling that the British, in their anxiety to come to some sort of agreement, will now start gradually pressuring us to accept looser control measures than we would like.

There is another possibility which may be locating up in the future. Some serious consideration is being given here, as a last fall-back position, to proposing an agreement merely banning atmospheric tests, leaving underground and very high altitude tests uncontrolled and unbanned. A ban on atmospheric tests would require a very simple and essily-negotiated control system. Present thinking in the Department is that this proposal should not be considered until the negotiations have shown conclusively that the Soviets will not agree on an effective control system for the kind of complete suspension now contemplated. However, sentiment is growing in some quarters for shifting to the simple atmospheric ben fairly soon. AEC favors it, and certain influential Senstors have come forward with such a proposal. Do you have any thoughts on the MATO reaction to an atmospheric ban? The French problem would become more menageable, of course. It would also go a considerable way to satisfy so-called "world opinion" objections to muclear testing, which are largely directed at atmosphere contemination.

4) Supprise Attack: Things are bound to be pretty quiet for some time on this front. The Presidentially-appointed Study Panel, which is supposed to commider how to clarify the terms of reference for future talks, is expected to take around three ments to do its job.

Sincerely yours,

cc: RA - Mr. Timmons

Mr. Compton

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Russell Fessenden

(See P.S. on following page)

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- P.S. Since writing the foregoing, I have learned of some specific dates under consideration: (1) The Working Group will convene on February 2 (The Italians said this in NAC before it was decided); (2) the working group is to complete its draft reply by February 10; (3) the conference with the Boviete would be called around April 9. This last is a long way from being approved, but definitely represents the current thinking here. Heedless to say, it cuts it pretty close with our NATO meeting. Whether this will be a good or bad thing is difficult to judge at this range.
- P.P.S. The above P.S. should be very closely held.

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